Law Office

THOMAS F. McFarland, P.C.

208 SOUTH LASALLE STREET - SUITE 1890 CHICAGO, ILLINOIS 60604-1112 TELEPHONE (312) 236-0204 FAX (312) 201-9695 mcfarland@aol.com

THOMAS F. McFARLAND

August 8, 2006

Office of Proceedings

Part of Public Record



11269

Vernon A. Williams, Secretary Surface Transportation Board Case Control Unit, Suite 713 1925 K Street, N.W. Washington, DC 20423-0001

Re:

Finance Docket No. 34889, PYCO Industries, Inc. -- Alternative Rail Service -- South Plains Switching. Ltd. Co.

Dear Mr. Williams:

This constitutes a reply of SOUTH PLAINS SWITCHING, LTD. CO. (SAW) to a Verified Petition for Alternative Service under 49 C.F.R. Part 1147 (Petition), filed by PYCO Industries, Inc. (PYCO) on July 2, 2006. PYCO's Petition was not served on SAW until July 12, 2006. This reply is being filed within 30 days of that date of service, as provided in 49 C.F.R. § 1147(b)(2).

The Petition was filed before the Board issued its decision served July 3, 2006 in Finance Docket No. 34890, *PYCO Industries, Inc. -- Feeder Line Acquisition -- South Plains Switching, Ltd. Co.* (the Feeder Line case). In that decision, the Board accepted for filing a Revised Feeder Line Application (RFLA) that had been filed by PYCO on June 16, 2006. As particularly pertinent in relation to the Petition in the case at hand, the Board adopted an accelerated procedural schedule under which a final decision on the RFLA would be issued to coincide with the expiration of alternative rail service under 49 C.F.R. Part 1146 in Finance Docket No. 34802, *PYCO Industries, Inc. -- Alternative Rail Service -- South Plains Switching, Ltd. Co.*

If the rail lines involved in the RFLA are required to be sold to PYCO in a decision that takes effect before the expiration of the Part 1146 alternative rail service, the Petition in the case at hand would become moot, and should be dismissed.

The Petition should also be dismissed in the event that the RFLA is denied because such denial would resolve the issue of alternative rail service against PYCO on a permanent basis. If the Board were to find that public convenience and necessity (PC&N) do not permit or require PYCO to take ownership of the involved rail lines, it would follow that PC&N would not permit or require PYCO to use those rail lines pursuant to terminal trackage rights or reciprocal switching.

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Inasmuch as the subject matter of the Petition will necessarily be resolved by the Board's decision in regard to the RFLA, the Petition should either be dismissed as superfluous, or be held in abeyance pending a decision on the RFLA.

Respectfully submitted,

Thomas F. McFarland
Attorney for South Plains
Switching, Ltd. Co.

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cc: Charles H. Montange, Esq.
Gary McLaren, Esq.
John D. Heffner, Esq.
William Mullins, Esq.
Daniel A. LaKemper, Esq.
William C. Sippel, Esq.
Mrs. Delilah Wisener
Mr. Dennis Olmstead

